

OVERVIEW: PLANNING PROCESS

The planning process is governed by the capital improvement program (CIP) ordinance of the City of Albuquerque. This ordinance establishes the broad policy for preparation of the biennial capital program. The Capital Implementation Program division administers the process by which capital improvements are planned, selected and proposed for approval by the City Council. The capital improvement plan is comprised of the following:

- 2005-2006 General Obligation Bond Program
- 2006 Enterprise Fund Capital Improvements
- 2005-2014 Ten-Year Plan for Capital Improvements
- 2005-2014 Component Capital Improvement Plan

As established by the CIP ordinance, policies and criteria for each biennial planning cycle are recommended by the Mayor and established by resolution by the City Council.

The planning process for preparation of the capital program is a collaboration among Mayor Martin J. Chávez and his staff, the public, and the City Council. The process began in early 2004 with adoption by the City Council of a resolution establishing policies and criteria by which projects submitted for inclusion in the capital program were to be evaluated. Staff and senior management of the City of Albuquerque evaluated those projects and final recommendations were approved by the Mayor. The Mayor sent his recommended CIP to the Environmental Planning Commission (EPC), who held a public hearing on the program. EPC found that the program as presented conformed to the policies and criteria established by the City Council for preparation of the program. The City Council undertook an exhaustive analysis of the capital program and conducted two public hearings before it was amended and adopted on July 6, 2005. The 2005 general obligation bond program will be placed on the ballot for voter consideration in the municipal election scheduled for **October 4, 2005.**

This document contains detailed descriptions of G.O. bond funded projects; a summary of CCIP projects; the ten-year plan for capital improvements; and summary tables for revenue bond capital improvements; the Consolidated Plan; and Metropolitan Redevelopment funds. The same information may be found on the City's web site: cabq.gov, under the Capital Implementation Program.

The following sections provide more detail concerning the capital planning process and policies.

POLICIES & CRITERIA

Every two years the City Council adopts policies and criteria for the evaluation of capital projects to be included in the general obligation bond program and decade plan. On February 18, 2004, the City Council adopted R-04-33; Enactment 24-2004 establishing policies and criteria for the 2005 planning cycle. Please refer to Appendix A-16 for a complete copy of the resolution. Following is a summary of the provisions of that resolution.

Policy Legislation Cited

The following adopted policies of the City of Albuquerque are cited in R-04-33:

- *Albuquerque / Bernalillo County Comprehensive Plan;*
- Council Bill F/S R-70; Enactment 91-1998: *Growth Policy Framework;*
- Council Bill R-01-344; Enactment 172-2001: *Centers & Corridors;*
- Council Bill F/S O-02-39; Enactment 34-2002 and Council Bill F/S R-02-111(A); Enactment 112-2002: *Planned Growth Strategy.*

Funding Criteria

The approximate allocation of funds among the various implementing agencies were established in R-04-33 as follows:

- 42.6% to the Department of Municipal Development, including: facilities, security, energy and parking divisions; fleet management division; park design and construction division; storm drainage division; and streets divisions.
- 6.1% to the Transit Department.
- 5.9% to the Parks & Recreation Department.
- 10.0% to Public Safety, including: the Fire Department, Office of Emergency Management and the Police Department.
- 27.6% to all other Community Facilities, including: cultural services department; environmental health department; family and community services department; department of finance and administrative services; planning department; and the department of senior affairs.
- 7.8% to the Council-Neighborhood Set-Aside program.

Please refer to Table 1 for the approved allocation of the 2005 general obligation bond program.

POLICIES & CRITERIA

Funding Allocation Chart

Funding Allocation Category: Department/Division	% Allocated R-04-33	Approved Amount	% of Approved G.O. Bonds Program
Department of Municipal Development	42.6%	\$54,120,000	45.6%
Facilities, Energy, & Security		\$1,550,000	
Fleet Management ¹		\$5,500,000	
Parking Services		\$500,000	
Park Design & Construction		\$6,500,000	
Storm Drainage		\$8,000,000	
Streets		\$32,070,000	
Transit	6.1%	\$7,050,000	5.9%
Parks, Open Space & Recreation	5.9%	\$19,000,000	16.0%
Public Safety	10.0%	\$3,500,000	3.0%
Fire Department		\$500,000	
Office of Emergency Management		\$100,000	
Police Department		\$2,900,000	
Community Facilities	27.6%	\$26,080,000	21.9%
Cultural Services		\$9,555,000	
Environmental Health		\$400,000	
Family & Community Services		\$8,825,000	
Finance & Administrative Services		\$4,250,000	
Planning Department		\$2,850,000	
Senior Affairs		\$200,000	
Council-Neighborhood Set-Aside	7.8%	\$9,000,000	7.6%
Total Approved '05 G.O. Bond Program ²		\$118,750,000	
<p>¹ Fleet Management includes \$3,000,000 for marked Police vehicles. When this amount is subtracted from DMD and added to Public Safety, the percentage for DMD is: \$43.0% and for Public Safety is: 5.5%. Other funding for public safety will be derived from the 1/4 cent public safety tax which was passed in the 2004 election.</p> <p>² Excluding 1% for public art and 1% for energy conservation.</p>			

Table 1

POLICIES & CRITERIA

Project Selection Criteria

Specific project selection criteria were adopted in R-04-33 for each funding allocation category and were written to incorporate the growth policy and fiscal goals established in the enabling legislation. To review these criteria in detail, please refer to Appendix A-16.

Minimize Operating Budget Impact

In order to minimize the impact of capital projects on the general fund operating budget, to emphasize the preservation of existing assets, and to correct critical deficiencies, R-04-33 established a goal that 90% of the G.O. bond program be restricted to rehabilitation and deficiency correction projects. As shown in Table 2, approximately 91% of the 2005 General Obligation Bond Program meets this requirement.

2005 General Obligation Bond Program
Rehabilitation and Deficiency Analysis

Funding Allocation Category	Approved Funding	Rehabilitation	Percent of Total	Deficiency	Percent of Total	Total % R & D
Community Facilities	\$26,080,000	\$14,436,250	55.35%	\$9,012,750	34.56%	89.91%
Municipal Development	\$54,120,000	\$22,642,000	41.84%	\$27,018,000	49.92%	91.76%
Parks & Recreation	\$19,000,000	\$11,787,500	62.04%	\$6,812,500	35.86%	97.89%
Public Safety	\$3,500,000			\$2,800,000	80.00%	80.00%
Transit	\$7,050,000	\$3,000,000	42.55%	\$2,550,000	36.17%	78.72%
TOTAL ¹	\$109,750,000	\$51,865,750	47.26%	\$48,193,250	43.91%	91.17%

¹ Excluding: Council-Neighborhood Set-Aside; 1% for Public Art; and 1% for Energy Conservation

Table 2

Project Categorization

As part of the planning process, the Administration is required to categorize projects in the Mayor's recommended Capital Program as: growth, rehabilitation, deficiency, mandate or improvements, defined as follows:

- Growth: New facilities, component additions, or system upgrades that provide service or capacity for new customers (defined as customers not currently using the system); or that restore needed reserves previously used to support new users.

POLICIES & CRITERIA

- **Rehabilitation:** Projects that extend the service life of an existing facility or system, or that restore original performance or capacity by rehabilitating or replacing system components.
- **Deficiency:** Projects that correct inadequate service, provide system backup capability, or minimize downtime or loss of service ability. Inadequate service shall be defined by a level of service standard, and the proposed project shall be designed to measurably improve the level of service with the area of the project.
- **Mandate:** Projects that are required in order to comply with regulation(s) of federal, state, or local jurisdictions.
- **Improvements:** Projects that enhance the efficiency or customer satisfaction of an existing system that are not covered in the above categories, including costs to conduct special studies directly related to the implementation of the capital program.

Project Area

A boundary based on the water line extension policy contained in council Bill R-390, has been established. Projects outside that boundary may not be funded by the capital program. A map of this area may be found in Appendix B-20.

High, Medium and Low Priority Projects

All projects proposed for the 2005 G.O bond program are required to be rated by a staff committee using the criteria provided in R-04-33. The ratings are to be divided into high, medium and low priority, and no more than ten percent of the Mayor's proposed G.O. bond program funds may be ranked in the low category. (As provided in R-04-33, Council-Neighborhood Set-Aside Projects are selected by City Councilors, and approved by vote of the full City Council. Thus, they were not reviewed, rated or ranked. In addition, projects that were added by amendment of the City Council, were not reviewed, rated or ranked.) Approximately 7.5% of the recommended 2005 general obligation bond program funds are associated with projects that ranked low. A ranked listing of projects may be found in Appendix B-12.

PROJECT PLANNING, SELECTION, & APPROVAL PROCESS

For the 2005 general obligation bond program, City departments submitted a little over \$211 million in project requests. The objectives of the project planning and selection process are to:

- evaluate, rate, and rank those requests according to the criteria described in the foregoing section;
- present ranked projects to senior city management;
- ensure that the recommended amount of the general obligation bond program conforms to the available funding;
- make the capital program available for public comment; and
- place the general obligation bond program on the ballot for voter approval.

The capital improvement ordinance establishes the following steps to achieve these objectives:

Staff Committee Review

During the summer of 2004, staff from the capital implementation program, office of management & budget, planning department, water utility department, and the department of senior affairs reviewed, rated and ranked departmental project requests according to the criteria established in R-04-33. These criteria may be found in Appendix A-16. Members of the staff committee are identified in Appendix B-16.

CIP Committee Review

During the Fall of 2004, ranked projects were evaluated by senior city management (CIP Committee.) In order to conform to the available funding, and to the policies, priorities, and criteria established in R-04-33, some project requests were reduced, and some were deferred to future years.

Environmental Planning Commission Public Hearing

After the Mayor has approved the CIP committee recommendations, the CIP ordinance provides that the program must be forwarded to the Environmental Planning Commission (EPC) and EPC must hold a public hearing. EPC is empowered to make recommendations to the Mayor. The Mayor, by ordinance, is empowered to decide whether or not to accept those recommendations.

The commission held the public hearing on March 17, 2005. They found that the program conformed to the policies and criteria established in R-04-33. Minutes and findings of that meeting of the EPC may be found in Appendix C-1.

PROJECT PLANNING, SELECTION, & APPROVAL PROCESS

City Council Review and Plan Adoption

After receiving the findings from the EPC, the Mayor finalized his recommendations and forwarded the program to the City Council. By ordinance the Council must also conduct at least one public hearing. As the governing body of the City of Albuquerque, the City Council has the responsibility to finalize the plan that will be placed on the ballot.

The City Council considered the 2005 capital program during meetings of the Committee of the Whole on June 15 and June 30, 2005 and they amended and adopted the program at a regular meeting on July 6, 2005. Two public hearings were conducted, one during committee deliberation and one during final action.

The Mayor line item vetoed certain provisions of the amended bill. On August 1, the Council considered, but was unable to override the Mayor' vetoes.

Voter Approval

All general obligation bonds must be approved by the voters in the municipal election, scheduled for Tuesday **OCTOBER 4, 2005**. Funding from approved bonds generally becomes available in about the first half of the following year, in this case the first half of 2006.

See Table 3 for a full schedule of the Planning Process.